

John Boehner
Chairman
8th District, Ohio

House Meets at 9:00 a.m. for Legislative Business

Anticipated Floor Action:

H.R. 2621—Reciprocal Trade Agreement Authorities Act

S. 858—FY 1998 Intelligence Authorization Act (Conference Report)

H.R. 2616—Charter Schools Amendment Act

**H.R. 2647—Monitoring Commercial Activities of the People's Liberation Army
of China**

H.R. 2232—Radio Free Asia Act

H.R. 2264—Labor, HHS, and Education Appropriations Act (Conference Report)

Bills Considered Under Suspension of the Rules



H.R. 2621—Reciprocal Trade Agreement Authorities Act

Floor Situation: The House will consider H.R. 2621 as its first order of business today. Yesterday, the Rules Committee granted a closed rule providing for two hours of general debate, equally divided between the chairman and ranking minority member of the Ways & Means Committee. The rule makes in order a committee amendment in the nature of a substitute as base text, and waives all points of order against the bill as amended. Finally, the rule provides for one motion to recommit, with or without instructions.

Summary: H.R. 2621 renews the president's authority to negotiate and implement international trade agreements through an expedited procedure called "fast-track." The provisions of fast-track authority requires Congress, after extensive consultation with the president—at all stages of negotiation—to (1) consider bills to implement trade agreements within a limited and fixed time frame; and (2) vote on these implementing bills "up or down," without amending them. H.R. 2621 extends the president's fast track authority until October 1, 2001. CBO estimates that enactment will result in direct spending of \$750 million and discretionary spending of \$12 million, between FYs 1998-2002. The bill affects revenues and direct spending, so pay-as-you-go procedures apply. H.R. 2621 was introduced by Mr. Archer and Mr. Crane, and was reported by the Ways & Means Committee by a vote of 24-14 on October 8, 1997.

Views: The Republican Leadership supports passage of the bill. The Clinton Administration also supports passage of the bill.

Amendments: The committee amendment in the nature of a substitute includes the following manager's amendment:

— *Manager's Amendment* —

The manager's amendment (1) establishes a "Special 301" procedure for identifying countries that deny market access for U.S. agricultural products; (2) makes technical and confirming amendments to the bill; and (3) strikes revenue offset language in the bill regarding the repeal of the special rule which allows taxpayers who own rental vacation property to deduct up to the first 15 days' worth of income derived from the property from their federal taxes. The manager's amendment replaces this language with a provision to clarify the time when an employer may deduct accrued severance pay. Under current law, any deferred compensation—except for severance pay—that a company gives to an employee within two and one-half months after the end of the taxable year (that is, on or around mid-March) is counted as actual taxable compensation for the employer in that tax year. This provision is based on a 1996 tax court ruling in *Schmidt Baking Co., Inc.*, where the court ruled that compensation received in full within an abbreviated period for such long-term items as vacation or severance packages must be considered taxable income for the year in which it is received.

Additional Information: See *Legislative Digest*, Vol. XXVI, #31, Pt. IV, November 6, 1997.



S. 858—FY 1998 Intelligence Authorization Act (Conference Report)

Floor Situation: The House will consider the conference report to the Intelligence Authorization bill after it completes consideration of H.R. 2621. Conference reports are debatable for one hour, may not be amended, and are subject to one motion to recommit. On October 31, the House reached a unanimous consent agreement to waive all points of order against the conference report and its consideration.

Summary: S. 858 authorizes appropriations for the intelligence activities of 12 federal agencies including the Central Intelligence Agency (CIA), the National Security Agency (NSA), the Defense Intelligence Agency (DIA), the Federal Bureau of Investigation (FBI), and the Drug Enforcement Agency (DEA). As part of a lawsuit filed under the Freedom of Information Act by the Federation of American Scientists, the CIA announced last month that the national intelligence budget for FY 1997 is \$26.6 billion. The conference report does not mandate public disclosure of intelligence spending. However, the changes to the funding levels and personnel ceilings for most programs are outlined in a classified annex to the committee report, which members may view at the Select Committee on Intelligence in H-405 in the Capitol. The changes to the unclassified portion of the House-passed bill are detailed below.

Major Changes from the House-passed bill include:

- * authorizing \$121.6 million and 283 personnel for the Intelligence Community Management Account (CMA), \$26 million and 30 personnel less than the House-passed bill;
- * expressing the sense of Congress that Members of Congress have equal standing with officials of the executive branch to receive classified information so that Congress may carry out its oversight responsibilities;
- * directing the Secretary of State to ensure that the U.S. government takes all appropriate actions to promptly identify all unclassified and classified information in the possession of the government regarding the killing, abduction, torture, or other serious mistreatment of U.S. citizens abroad. The provision also requires the Secretary of State to ensure that all information is promptly reviewed and, to the maximum extent practical, made available to the victim or victim's family if they are U.S. citizens, unless such a disclosure is specifically prohibited by law or jeopardizes sensitive sources;
- * directing the Director of Central Intelligence to carry out a survey of current standards for spelling foreign names and places, and the geographic coordinates for such places; and
- * authorizing the CIA Inspector General (IG) to subpoena records and other documentary information necessary in the performance of functions assigned to the IG. The Inspectors General throughout the federal government are responsible for identifying corruption, waste, and fraud in their agencies or departments. Currently, all other Inspectors General have subpoena authority, except the IG for the CIA.

The House passed H.R. 1775 by voice vote on July 9, 1997, and the Senate passed its version by a vote of 98-1 on June 19, 1997. The conference report was submitted by Mr. Goss on October 28, 1997.

Views: The Republican Leadership supports passage of the measure. An official Clinton Administration viewpoint was unavailable at press time.

Additional Information: See *Legislative Digest*, Vol. XXV, #19, July 3, 1997.



H.R. 2616—Charter Schools Amendment Act

Floor Situation: The House will continue consideration of amendments to H.R. 2616 after it completes consideration of the Intelligence Authorization conference report. On Monday, the House completed general debate and began considering amendments under an open rule. The rule grants priority in recognition to members who have their amendments pre-printed in the *Congressional Record*. The Chairman of the Committee of the Whole may postpone votes and reduce the voting

time on a postponed vote to five minutes, provided that it takes place following a regular 15-minute vote. Finally, the rule provides one motion to recommit, with or without instructions.

Summary: H.R. 2616 authorizes \$100 million for charter schools for FY 1998 and amends the Public Charter Schools Act (*P.L. 103-382*) to provide financial assistance to start new public charter schools, increase the total number of charter schools, and evaluate their success. The bill creates a tier by which charter school grants may be distributed based on certain criteria and prioritizes funding to schools that meet the most criteria. The bill also (1) includes charter schools as a possible recipient of funds for the flexible Title VI block grants to states to improve education; (2) reduces—from 10 percent to five percent of the annual appropriation—the amount that the Education Secretary can spend at the federal level; (3) requires the Education Secretary to guarantee that each charter school receives all federal funds that it is eligible for during the first calendar year that it is open, and (4) extends from three to five years the period during which charter schools may qualify for a federal grant. CBO estimates that enactment will result in total discretionary outlays of \$455 million over the next five years. The bill was introduced by Mr. Riggs and was ordered reported by the Education & the Workforce Committee by a vote of 24-8.

Views: The Republican Leadership supports passage of the measure. The Clinton Administration supports the bill generally, but is concerned about increasing the period during which charter schools may qualify for federal grants.

Amendments: At press time, the *Legislative Digest* was aware of the following amendments to H.R. 2616:

Mr. Clyburn may offer an amendment to require states that apply for charter school funds to ensure that the population of a charter school reflects similar racial and gender composition as other public schools in the area. The member argues that charter schools are public schools and therefore should reflect the racial and gender composition of the community. Opponents argue that some charter schools are started to reach at-risk students and, therefore, are less likely to represent the composition of entire community. *Staff Contact: Lindy Birch, x5-3315*

Ms. Hooley may offer one of two amendments (#2 or #3) to maintain the current law definition of charter schools. The bill changes the definition to require a specific state law regarding charter schools and a written contract for the charter which is agreed upon by the school and the chartering agency. The member argues that under current law, the charter schools in the state of Oregon qualify for federal funds, but would not under the bill. Opponents of the amendment argue that a specific contract is essential to separate a charter school from a traditional school, as well as bind the school to measures of success. *Staff Contact: Grey Gardner, x6-8046*

Mr. Kingston may offer an amendment to change the name of the bill to “The Community Designed Charter Schools Act.” *Staff Contact: Adam Sullivan, x5-5831*

Mr. Martinez may offer an amendment to require charter applicants to specify how they will meet the needs of students with disabilities as required by the Individuals with Disabilities in Education Act (IDEA, *P.L. 105-17*). The member argues that several charter schools are not complying with the federal statute and requiring a written plan will promote compliance. Opponents argue that the charter schools already are required to comply with IDEA and that the amendment places a reporting requirement on charter schools that is not required by other public schools. *Staff Contact: Alex Nock, x6-2068*

Mr. Martinez may offer an amendment to maintain current law provisions which allow charter schools to receive federal grants for three years. The bill currently increases the time charter schools may qualify for federal grants to five years. The member argues that federal grants are intended only for start-up costs, but providing federal funding to charter schools for five years contributes to operating expenses. Opponents of the amendment argue that the first five years of a charter school are crucial and extending a school's grant eligibility may make a difference in whether the school is successful or not. *Staff Contact: Alex Nock, x6-2068*

Mr. Martinez may offer an amendment to (1) place priority for national funds on evaluating charter schools and (2) expand the scope of the evaluation to include admission and staffing procedures. The Education Department is currently conducting a four-year evaluation of the impact of charter schools on student achievement. Under the bill, priority for national funds is placed on helping charter schools solicit private funds. *Staff Contact: Alex Nock, x6-2068*

Mr. Martinez may offer an amendment to require that charter schools receive federal funds (i.e., Title I and IDEA funding) in the same manner as other public schools. Assuming that the manager's amendment is adopted, the bill requires that charter schools receive all federal funds within the first five months of operation. In the past, several charter schools have not received all the federal funds they qualify for because the funds are based on the previous year's enrollment, so statistics are not available for the current year. The member argues that charter schools are public schools and should be subject to the same federal laws. Opponents argue that the number one reason charter schools fail is because they do not receive federal funds during the first year of operation, and that the amendment replaces one of the largest road blocks charter schools face. *Staff Contact: Alex Nock, x6-2068*

Mr. Pastor may offer an amendment to prohibit states from deducting their contribution to tribal schools based on payments from the Bureau of Indian Affairs. The provision is modeled after a provision of the Impact Aid Act which provides assistance to school districts that have a weak local tax base because of military bases and Indian reservations. *Staff Contact: Blake Gable, x5-4065*

Mr. Tierney may offer an amendment to strike provisions in the bill that place priority for funds to states that meet certain requirements. Under the bill, a states that meet three criteria: (1) state laws granting charter schools a high degree of financial autonomy, (2) state laws that allow for more charter schools each year; and (3) periodically reviewing charter schools to evaluate students' academic performance and the overall success of the school. The member argues that states should be allowed to set their own criteria for charter schools without risking federal funds. Opponents of the amendment argue that states with the most effective charter schools meet the three criteria and federal dollars should support the most successful programs. *Staff Contact: Laura Greer, x5-8020*

Mr. Traficant may offer an amendment (#1) to require that contracts granted to carry out the provisions in the bill comply with the Buy American Act. The amendment expresses the sense of Congress that contractors who receive funds under the bill should purchase only American-made products, and bars any person who has been convicted of fraudulently using a "Made in America" inscription, or any inscription with the same meaning, from receiving any contract or subcontract involving funds authorized by the bill. *Staff Contact: Dan Blair, x5-5261*

Mr. Weygand may offer an amendment (#4) to require the Education Secretary to provide funds to all states that meet the requirements to receive federal charter school funds. The member argues

that several states that currently have charter school laws do not receive federal charter school grants. *Staff Contact: Chris Labonte, x5-2735*

Additional Information: See *Legislative Digest*, Vol. XXVI, #30, October 24, 1997.



China Policy Legislation

Floor Situation: The House will consider the remaining two bills (H.R. 2647 and H.R. 2232) after it completes consideration of H.R. 2616. On Tuesday, the Rules Committee granted a rule providing for a modified closed amendment process for seven of the bills, and a closed amendment process for two of the bills. The rule self-executed (i.e., incorporated into the base text upon passage of the rule) a total of 11 amendments to certain bills (see below). The rule provides one hour of debate on each of the nine bills individually, divided equally between the chairman and ranking member of the bill's committee of jurisdiction. It also allows one motion to recommit, with or without instructions, for each bill. The rule waives all points of order against consideration of the bills as amended. The rule permits the Speaker to postpone votes on any motion to recommit on each of the bills.

H.R. 2647—Monitoring Commercial Activities by the People's Liberation Army of China gives increased flexibility to the president to investigate, regulate, and prohibit activities of PLA-controlled companies in the U.S., and freeze their assets without first declaring a national emergency as required by the International Emergency Economic Powers Act (IEEPA). Under IEEPA, the president must first declare a national emergency before taking certain actions against entities deemed to be acting in a manner detrimental to U.S. national security. The bill also requires the Secretary of Defense, in consultation with the Attorney General and the directors of the CIA and the FBI, to maintain a current list of PLA-controlled companies that do business in the U.S., and to periodically make the list public. A CBO estimate was unavailable at press time. The bill was introduced by Ms. Fowler et al; the International Relations Committee waived its jurisdiction on the bill. The Republican leadership supports passage of the measure. The Clinton Administration opposes the bill.

H.R. 2232—Radio Free Asia Act authorizes increased funding for Radio Free Asia and Voice of America broadcasting into China. The bill also states that no later than 90 days after enactment, the president, in consultation with the Board of Broadcasting Governors, must report to Congress on a plan to achieve continuous broadcasting to China in multiple dialects and languages. Radio Free Asia (RFA) currently broadcasts five hours a day in the Mandarin dialect and two hours a day in Tibetan, while the Voice of America (VOA) broadcasts 10 hours in Mandarin and three-and-a-half hours in Tibetan daily. An amendment to the State Department authorization bill authorized \$20 million in additional funding for the RFA and \$10 million for the VOA, along with \$10 million for the Broadcasting Board of Governors to finish construction of a transmitter on Tinian island. CBO estimates that enactment will increase discretionary spending by \$32 million in 1998 and \$81 million over the 1998-2002 period. The bill was introduced by Mr. Royce et al. and was reported by the International Relations Committee by voice vote on September 30, 1997. The Republican leadership supports passage of the measure. An official Clinton Administration viewpoint was unavailable at press time.

Additional Information: See *Legislative Digest*, Vol. XXVI, #31, October 31, 1997.



H.R. 2264—Labor, HHS, and Education Appropriations Act (Conference Report)

Floor Situation: The House may consider the conference report to H.R. 2264 sometime today. At press time, the conference report had not been filed. Additional information will be published in an issue of the *Legislative Digest* as soon as it becomes available.



Bills Considered Under Suspension of the Rules

Floor Situation: The House is expected to consider several bills under suspension of the rules sometime today. At press time, a comprehensive list of measures which may be considered was unavailable. Additional information will be published in an update to the *FloorPrep* if it becomes available.



PLEASE NOTE: UNDER THE EXPEDITED PROCEDURES RULE, MEASURES MAY BE BROUGHT TO THE FLOOR UNDER SUSPENSION OF THE RULES AN HOUR AFTER BEING ANNOUNCED, AND CONFERENCE REPORTS MAY BE CONSIDERED AT ANY TIME.

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